

108TH CONGRESS  
2D SESSION

# H. R. 4352

To amend the Internal Revenue Code of 1986 to deny a deduction for the portion of employer-provided vacation flights in excess of the amount of such flights which is treated as employee compensation.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 12, 2004

Mr. EMANUEL (for himself, Mr. BROWN of Ohio, Ms. LEE, Mr. LANTOS, Mr. MCGOVERN, Mr. ISRAEL, Mr. STARK, Ms. SCHAKOWSKY, Ms. HOOLEY of Oregon, Mr. GRIJALVA, and Ms. DELAURO) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to deny a deduction for the portion of employer-provided vacation flights in excess of the amount of such flights which is treated as employee compensation.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Corporate Jet Tax  
5 Shelter Reform Act of 2004”.

1 **SEC. 2. DENIAL OF DEDUCTION FOR EMPLOYER-PROVIDED**  
2 **VACATION FLIGHTS IN EXCESS OF THE**  
3 **AMOUNT OF SUCH FLIGHTS TREATED AS EM-**  
4 **PLOYEE COMPENSATION.**

5 (a) IN GENERAL.—Paragraph (2) of section 274(e)  
6 of the Internal Revenue Code of 1986 (relating to ex-  
7 penses treated as compensation) is amended by adding at  
8 the end the following: “The amount allowable as a deduc-  
9 tion by reason of this paragraph with respect to an air-  
10 craft provided by the taxpayer shall not exceed the ex-  
11 penses for goods, services, and facilities relating to such  
12 aircraft which are treated as such compensation and  
13 wages.”.

14 (b) REDUCTION IN PUBLIC DEBT.—The increase in  
15 Federal receipts in the United States Treasury by reason  
16 of the amendment made by subsection (a) shall be used  
17 solely for reduction of the public debt, and for such pur-  
18 pose the Secretary of the Treasury shall deposit an  
19 amount equal to such receipts in the account specified in  
20 section 3113(d) of title 31, United States Code.

21 (c) EFFECTIVE DATE.—The amendment made by  
22 subsection (a) shall apply to expenses incurred after the  
23 date of the enactment of this Act in taxable years ending  
24 after such date.

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